

Status: Point in time view as at 02/12/2019.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Insignificant repayments disregarded for purposes of paragraph 14 is up to date with all changes known to be in force on or before 16 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

[^{F1}SCHEDULE 5B U.K.]

ENTERPRISE INVESTMENT SCHEME: RE-INVESTMENT

Textual Amendments

- F1** Sch. 5B inserted (with effect in accordance with Sch. 13 para. 4(4) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 13 para. 4\(3\)](#)

[^{F2}[^{F3}Insignificant repayments disregarded for purposes of paragraph 14

Textual Amendments

- F2** Sch. 5B paras. 10-15 and cross-headings inserted (with effect in accordance with s. 74(3) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 13 para. 35](#)
- F3** Sch. 5B para. 14AA and cross-heading inserted (11.5.2001) by [Finance Act 2001 \(c. 9\)](#), [Sch. 15 para. 33](#) (with [Sch. 3](#))

14AA (1) Any repayment shall be disregarded for the purposes of paragraph 14 above if whichever is the greater of—

- (a) the market value of the shares to which it relates (“the target shares”) immediately before the event occurs, and
- (b) the amount received by the member in question,

is insignificant in relation to the market value of the remaining issued share capital of the company in question (or, as the case may be, subsidiary in question) immediately after the event occurs.

This is subject to sub-paragraph (4) below.

- (2) For the purposes of this paragraph “repayment” means a repayment, redemption, repurchase or payment mentioned in paragraph 14(1) above.
- (3) For the purposes of sub-paragraph (1) above it shall be assumed that the target shares are cancelled at the time the repayment is made.
- (4) Where an individual subscribes for eligible shares in a company, sub-paragraph (1) above does not apply to prevent paragraph 14(2) above having effect in relation to the shares if, at a relevant time, arrangements are in existence that provide—
 - (a) for a repayment by the company or any subsidiary of the company (whether or not it is such a subsidiary at the time the arrangements are made), or
 - (b) for anyone to be entitled to such a repayment,at any time in the period of restriction.

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- (5) For the purposes of sub-paragraph (4) above “a relevant time” means any time in the period—
- (a) beginning one year before the eligible shares were issued, and
 - (b) expiring at the end of the issue date.]]]

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